

GRANT APPLICATIONS AVAILABLE FOR LOW-INCOME TAXPAYER CLINICS

WASHINGTON B In a move to expand the availability of legal assistance for taxpayers, the Internal Revenue Service announced Friday that low-income taxpayer clinics can apply for grants worth up to \$100,000.

The IRS=s new matching grant program will provide \$2 million this year to help organizations provide low-cost legal assistance in tax disputes. The program=s goal is encouraging the creation and growth of low-income tax clinics across the nation.

^These clinics reach out to taxpayers who may have no other way to afford legal help,@ IRS Commissioner Charles O. Rossotti said.

Clinics may apply for the IRS grant through May 10. Details about the grant program are in today=s Federal Register, and copies of the application package are on the IRS web site at www.irs.ustreas.gov under the ^What=s Hot@ section.

The clinics may be run by law, business or accounting schools -- whose students represent taxpayers in tax disputes with the IRS or in the courts -- or by tax-exempt organizations.

These groups can represent taxpayers in tax-related matters, refer taxpayers to qualified representatives and provide non-English speaking taxpayers information about their tax rights and responsibilities. Clinics may charge taxpayers a small fee for legal help.

More than a dozen taxpayer legal clinics are in operation to help people navigate the tax system. To assist these clinics and encourage the development of new clinics, Congress and President Clinton approved a tax clinic matching grant program last year.

The program allows the IRS to award organizations matching grants of up to \$100,000 a year to develop, expand or continue low-income taxpayer clinics. The grants can cover retroactive costs for the clinics in fiscal year 1999.

Grant recipients will be notified in July.

To expand the program next year, the fiscal 2000 budget request includes \$6 million for the low-income taxpayer clinic grants.

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Among the factors that will be considered in the grant application process are the clinic program=s quality of service, the number of low-income taxpayers served and how many people in the clinic=s service area use English as a second language.

ΔThese clinics fit in with our goal of improving service to taxpayers,@ Rossotti said. ΔWe want everyone to be able to get help, regardless of their income.@

The IRS has been helping low-income taxpayers for years through such programs as the Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE). More information about those programs is available by calling the IRS=s toll-free help line at 1-800-829-1040.

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